GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2716
ANSWERED ON:05.12.2002
INVOLVEMENT OF PRIVATE COMPANIES IN PETROLEUM SECTOR
PUNNULAL MOHALE

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the entry of the private companies in the petroleum sector is likely to cast any impact on fluctuation of prices;

(b) if so, the details thereof; and

(c) the time by which the petrol pumps and LPG agencies of the private companies are likely to be available for the consumers in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY O PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a) & (b): In a free market scenario, the fluctuations in the international oil prices are bound to get reflected in the domestic consumer prices. However, the entry of private companies in the marketing of retail petroleum products is likely to increase the competition in the sector.

(c): The Government has already granted authorization to market the transportation fuels to two private companies. As of now, the subsidized domestic LPG is not distributed through the private sector companies.